

**JUST ONE WORD INCORPORATED****REVIEW FINANCIAL STATEMENTS****FOR THE YEAR ENDED JUNE 30, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/13/11

**Collins CPA Accounting & Consulting Services LLC**

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**COLLINS CPA  
ACCOUNTING &  
CONSULTING SERVICES  
L.L.C.**

**INDEPENDENT ACCOUNTANT'S REPORT**

The Board of Directors  
Just One Word Incorporated  
Baton Rouge, LA

We have reviewed the accompanying statement of financial position of **Just One Word, Incorporated** (a nonprofit organization) as of June 30, 2010, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Collins CPA Accounting & Consulting Services, LLC*  
Collins CPA, Accounting & Consulting Services, LLC

March 31, 2011



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**JUST ONE WORD INCORPORATED**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2010**

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**Assets**

Current Assets:		
Cash	\$	21,586
Grants Receivable		<u>50,135</u>
<b>Total Current Assets</b>		<b>71,721</b>
Fixed Assets:		
Vehicle		13,839
(Less Accumulated Depreciation)		<u>(9,226)</u>
<b>Total Fixed Assets</b>		<b>4,613</b>
<b>Total Assets</b>		<b>76,334</b>

**Liabilities & Net Assets**

Current Liabilities:		
Accounts Payable	\$	<u>84,223</u>
<b>Total Liabilities</b>		<b>84,223</b>
Net Assets		
Beginning Balance		(7,889)
Change in Net Assets		<u>-</u>
<b>Total Net Assets</b>		<b>(7,889)</b>
<b>Total Liabilities &amp; Net Assets</b>	\$	<b><u>76,334</u></b>

The accompanying notes are an integral part of these financial statements.

**JUST ONE WORD INCORPORATED**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

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***Revenue and Support:***

Grant Revenue	\$ 280,920
Other Income	<u>5</u>
<b><i>Total Revenue and Support</i></b>	<b>280,925</b>

***Expenses:***

Program Services	267,669
Supporting Services	<u>13,256</u>
<b><i>Total Expenses</i></b>	<b>280,925</b>

***Change in Net Assets***

-

***Net Assets***

Beginning of Year	<u>(7,889)</u>
End of Period	<b>\$ <u>(7,889)</u></b>

The accompanying notes are an integral part of these financial statements.

**JUST ONE WORD INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ -
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	4,613
Decrease in grant receivables	22,297
Decrease in accounts payable	<u>(16,767)</u>
Net cash used in operating activities	<u>10,143</u>
 Net decrease in cash and cash equivalents	 10,143
 Cash - July 1, 2009	 <u>11,443</u>
 Cash - June 30, 2010	 \$ <u>21,586</u>

The accompanying notes are an integral part of these financial statements.

## **JUST ONE WORD INCORPORATED**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **NOTE 1 – ORGANIZATION**

**Just One Word Incorporated** is a community based organization and one of its many purposes is to strengthen the family unit. The organization was birthed due to the realization that all an individual may need to turn his or her life around or get back on track is one word of encouragement, correction or love from someone. The organization makes attempts to combat family division due to finances and to eliminate the inability to manage family finances.

**Just One Word Incorporated** is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

#### **Financial Statement Presentation**

**Just One Word Incorporated** follows the recommendation of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statement of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, as applicable.

A description of the three net asset categories is as follows:

Unrestricted net assets include funds not subject to donor-imposed stipulations. The revenues and expenses incurred in conducting the missions of **Just One Word Incorporated** are included in this category.

*Temporarily restricted net assets include realized gains and losses, investment income and gifts and contributions for which donor-imposed restrictions (capital improvements, etc.) have not been met.*

Permanently restricted net assets are contributions which are required by the donor-imposed restriction to be invested in perpetuity and only the income be made available for program operations in accordance with the donor restrictions. *Such income is reflected in temporarily restricted net assets until utilized for donor-imposed restrictions.*

At June 30, 2010, **Just One Word Incorporated** did not have any temporarily or permanently restricted net assets.

## **JUST ONE WORD INCORPORATED**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Functional Allocation of Expenses**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

##### **Cash and cash equivalents**

Cash consist solely of demand deposits and a money market account that is secured by federal deposit insurance. All highly liquid debt instruments purchased with an original maturity of three (3) months or less are considered to be cash equivalents for purposes of the statement of cash flows. All deposits are secured by federal deposit insurance.

##### **Fixed Assets**

Fixed assets that exceed \$500 are recorded at cost (or fair market value for donated assets). Assets are depreciated over their estimated useful lives using the straight-line method, using the following lives:

Furniture & fixtures	3-5 years
Machinery & equipment	5-8 years
Vans	4 years
Buildings	30 years

##### **Donated Services**

Donated labor is valued at the minimum wage rate in effect at the time of the donated services. Professional time, which is donated, is valued at the current market rate of the specific project. Donated materials are valued at current market value at the time of the donation.

##### **Contributed Services**

The organization recognizes contribution revenue for certain goods and services received at the fair value of those goods and services provided those goods and services create or enhance non financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended June 30, 2010, the value of contributed goods and services meeting the requirements for recognition in the financial statements was not material and has not been recorded.



## **JUST ONE WORD INCORPORATED**

### **NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**CONTINUED:**

**Property and Equipment**

Property and equipment are recorded at cost. Maintenance and repairs are charged to operations and additions and improvements are capitalized. The cost of property sold or otherwise disposed of and the accumulated depreciation thereon are eliminated from the property and related accumulated depreciation accounts, and any gain or loss is credited or charged to income. Depreciation is provided by the straight-line method over the estimated useful lives.

**Income Taxes**

*Just One Word Incorporated is a tax exempt corporation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for federal or state income taxes have been recorded in the accompanying financial statements.*

**Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and expenses during the reporting period. Actual results could differ from those estimates.

**Fair Values of Financial Institutions**

Generally accepted accounting principles require disclosure of fair value information about financial instruments for which it is practicable to estimate fair value, whether or not recognized in the statement of financial position. Cash and cash equivalents carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

**Contingency**

**Just One Word Incorporated** is the recipient of grant funds. The grants are governed by various guidelines, regulations, and contractual agreements. The administration of the programs and activities funded by grants are under the control and administration of **Just One Word Incorporated** and are subject to audit and/or review by the applicable funding sources. Any grant funds found not to be properly spent in accordance with the terms, conditions, and regulations of the funding source may be subject to recapture.

**JUST ONE WORD INCORPORATED**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<b>Program Services</b>	<b>Support Services</b>	<b>Total</b>
Depreciation Expense	\$ 4,613	\$ 2,468	\$ 7,081
Auto Expense		87	87
Bank Service Fee		317	317
Books, subscriptions, reference	4,874		4,874
Business Registration Fees		507	507
Computer Expenses	2,999		2,999
Conference, Convention, Meeting	15,510		15,510
Contractual Services	41,344		41,344
Fees		342	342
Insurance		2,234	2,234
Janitorial Expenses		2,190	2,190
Meals & Entertainment	1,325		1,325
Operations - Other	14,792		14,792
Payroll Expenses	135,894		135,894
Postage, Mailing Service	487		487
Printing and Copying	2,240		2,240
Rent	11,092		11,092
Supplies	31,524		31,524
Telephone, Telecommunications		4,287	4,287
Training	975		975
Utilities		823	823
<b>Total Expense</b>	<b>\$ 267,669</b>	<b>\$ 13,256</b>	<b>\$ 280,925</b>

The accompanying notes are an integral part of these financial statements.

## **SUPPLEMENTARY INFORMATION**

**JUST ONE WORD INCORPORATED**

**Independent Accountant's Report  
On Applying Agreed Upon Procedures**

**FOR THE YEAR ENDED JUNE 30, 2010**

**Collins CPA Accounting & Consulting Services LLC**

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**COLLINS CPA  
ACCOUNTING &  
CONSULTING SERVICES  
L.L.C.**

**Independent Accountant's Report  
on Applying Agreed-Upon Procedures**

To the Board of Directors  
**Just One Word Incorporated**  
Baton Rouge, LA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **Just One Word Incorporated**, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about **Just One Word Incorporated's** compliance with certain laws and regulations during the ended June 30, 2010 included in the accompanying *Louisiana Attestation Questionnaire*. Management of **Just One Word Incorporated** is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

***Federal, State, and Local Awards***

1. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

**Just One Word Incorporated's** federal award expenditures for all federal programs for the fiscal year follow:



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**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED UPON PROCEDURES  
(CONTINUED)**

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
<u>21<sup>ST</sup> Century Community Learning Center Program (21<sup>st</sup> CCKC)</u>	July 9, 2007 – June 30, 2010	84.287C	\$154,296
<u>Temporary Assistance for Needy Families – Children's Defense Fund – "Freedom School"</u>	January 1, 2008 – August 31, 2008 and January 1, 2009 – August 31, 2009	93.558	\$126,629
<b>Total Expenditures</b>			<b>\$280,925</b>

2. For each federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, we traced the 12 disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the 12 selected disbursements and found that each payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the 12 disbursements were properly coded to the correct fund and general ledger account.

We found each payment was properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the 12 disbursements received approval from proper authorities.

Inspection of documentation supporting each of the 12 selected disbursements indicated approvals from the director. No exceptions were noted.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. No exceptions were noted.

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED UPON PROCEDURES  
(CONTINUED)**

**Eligibility**

We reviewed the previously listed disbursements for eligibility requirements. No exceptions were noted.

**Reporting**

We reviewed the previously listed disbursements for reporting requirements. No exceptions were noted.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

No exceptions were noted.

***Open Meetings***

8. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

**Just One Word Incorporated** is only required to post a notice of each meeting and the accompanying agenda on the door of **Just One Word Incorporated's** office building. No exceptions were noted.

***Budget***

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

**Just One Word Incorporated** provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance. No exceptions were noted.

***Prior Comments and Recommendations***

10. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.



**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED UPON PROCEDURES  
(CONTINUED)**

In the agreed-upon procedures engagement for the year ended June 30, 2009, we reported the following recommendations:

- Payments were made without approval from proper officials. Status: Resolved; and
- Obtain contracts for all professional services that are rendered to **Just One Word Incorporated**. Status: Resolved;

**Other Matters**

Pursuant to the requirement of Louisiana Statute R.S. 24:513 annual financial reports shall be completed within six (6) months of the close of an entity's fiscal year. Due to circumstances beyond the organizations' control, **Just One Word Incorporated** was unable to have their review and attestation completed by the prescribed deadline.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of **Just One Word Incorporated**, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Collins CPA Accounting & Consulting Services LLC*  
Collins CPA Accounting & Consulting Services LLC  
CERTIFIED PUBLIC ACCOUNTANT

March 31, 2011

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Agencies)**

March 30, 2011 (Date Transmitted)

Collins CPA Accounting & Consulting Services LLC

PO Box 1855

Harvey, LA 70059

(Auditors)

In connection with your review of our financial statements as of June 30, 2010 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of March 30, 2011.

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Yes ☒ No ☐

**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

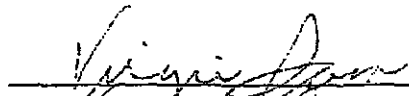

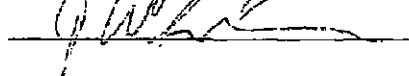
**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

	Secretary	3/30/2011	Date
	Treasurer	3/30/2011	Date
	President	3/30/2011	Date